

§ 115C-75.13. Innovation zones.

(a) If a local board of education transfers a qualifying school to the ISD, the local board of education may ask the State Board of Education to be allowed to create an innovation zone (i) for up to three continually low-performing schools within its local school administrative or (ii) if the local school administrative unit has more than thirty-five percent (35%) of the schools identified in the unit as low-performing, for all of the low-performing schools located in the unit.

The State Board of Education shall grant, upon recommendation of the ISD Superintendent, such requests for the creation of an innovation zone. The State Board of Education shall also authorize the local board of education the flexibility to operate the schools within the innovation zone with the same exemptions from statutes and rules as a charter school authorized under Article 14A of this Chapter and with exemptions from local board of education policies as needed to ensure autonomy under the guidance of the innovation zone office for financial, programmatic, staffing, and time allocation decisions.

(b) The innovation zone created by a local board of education must include all of the following:

- (1) Development of a clear and specific plan for improving schools within the innovation zone.
- (2) Establishment of an innovation zone office with a leader recommended by the ISD Superintendent to be appointed by the local board of education and approved by the State Board of Education to govern and lead the schools in the innovation zone.
- (3) Attraction of high-quality staff at schools in the innovation zone through the use of incentives, favorable working conditions, and development of partnerships to develop human capital.
- (4) Accountability for those schools based on established benchmarks and goals for student achievement and for support services provided by the local school administrative unit based on metrics established by the innovation zone office for effective and efficient delivery.
- (5) Support for those schools by the innovation zone office to ensure priority in services from the local school administrative unit, pursuit of outside funding, and technical support, including support from external partners.

(c) A local board of education may maintain an innovation zone created as provided in subsection (a) for up to five consecutive years. The State Board of Education may terminate the innovation zone as follows:

- (1) Early termination of innovation zone based on performance. – If, during the five-year period, the average of the annual percentage growth of the schools within the innovation zone does not exceed the average annual percentage growth of other continually low-performing schools for three consecutive years, the State Board of Education, upon the recommendation of the ISD Superintendent, may terminate the innovation zone at the conclusion of the academic year.
- (2) Nonrenewal of innovation zone based on performance. – If, by the end of the five-year period, the average annual percentage growth of the schools within the innovation zone over the five-year period does not exceed the average annual percentage growth of other continually low-performing schools during the same term, the State Board of Education shall not permit the local board of education to continue the innovation zone.
- (3) State Board of Education optional extension of innovation zone for three years. – If, by the end of the five-year period, the schools within the

innovation zone remain continually low-performing schools but have exceeded the average annual percentage growth of other continually low-performing schools, the State Board of Education, upon the recommendation of the ISD Superintendent in his or her discretion, may allow continuation of the innovation zone for an additional three years.

- (4) Local board of education option to extend innovation zone for three years. – If, by the end of the five-year period, the schools within the innovation zone receive a grade of C or higher under G.S. 115C-12(9)c1., the local board of education shall have the option to extend the innovation zone for another three years.

(d) A low-performing school in an innovation zone, created as provided in clause (ii) of subsection (a) of this section, shall become an innovative school if that low-performing school does not exceed expected growth in the last two years of the five consecutive years in the innovation zone. (2016-110, s. 1; 2017-57, ss. 7.26E(a), (f).)